

Trade Notes...

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U.S. Horticultural Product Trade Expands to Countries of Proposed FTAA

U.S. exports of horticultural products to countries in the Western Hemisphere reached a record \$5.1 billion in calendar year 2001, up 4 percent from shipments in 2000 and over 40 percent above the value exported seven years ago. U.S. horticultural exports in the miscellaneous category, valued at nearly \$1 billion, accounted for about 20 percent of the total U.S. horticultural sales in 2001. The top products in this category were beer and potato chips. Aside from Canada and Mexico, key U.S. export markets in the region were Venezuela, \$69 million; Brazil, \$65 million; the Bahamas, \$54 million; and the Dominican Republic, \$50 million. Trade ministers for the 34 democracies in the Western Hemisphere met in Quito, Ecuador, to continue negotiations seeking to complete the FTAA (Free Trade Area of the Americas) by Jan. 1, 2005.

New Sales Result from Central American Trade Mission

A trade mission last February to Central America has resulted in estimated sales of \$970,000 in Guatemala and \$490,000 in Costa Rica in the past year. The mission, jointly organized by FAS, the Western United States Agricultural Trade Association and the state of Idaho, attracted 14 participants representing 17 U.S. companies who met with 46 companies in Guatemala and 35 in Costa Rica. Products included: mini pizzas, bagels, meat and poultry, produce, frozen potato fries, potato flakes, snack foods, wines, jams, jellies, syrups, cake mixes, raw peanuts, sauces and other condiments.

Reverse Trade Missions Generate \$3.8 Million in U.S. Wool Sales

The American Sheep Industry Association is using FMD (Foreign Market Development) Program and MAP (Market Access Program) funds to develop a new sales base for U.S. wool overseas. The association's strategy is finding buyers whose needs match U.S. wool production levels and types. Tactics include targeting markets to inform buyers of U.S. wool's availability and quality improvements, coupled with product sampling and processing trials to demonstrate U.S. wool's attributes. This strategy has been highly successful, with the most recent round of reverse trade missions bringing outstanding results. During the May-June 2002 wool season, the association undertook trade missions that brought 18 international buyers to the United States and yielded purchases of 2.9 million pounds of greasy and scoured wool, valued at about \$2.6 million. In the following three months, the same participants bought an additional 1.3 million pounds, valued at \$1.15 million. In total, the trade missions resulted in direct sales of about 4.2 million pounds, valued at nearly \$3.8 million. Almost all product went to new buyers, a significant expansion of the international sales base.

U.S. Rice Exports Projected To Reach Record

Bolstered by strong demand and competitive prices, U.S. rice exports for 2002/03 are forecast at a record level of 3.6 million tons. Paddy rice exports, in particular, are being boosted by greater Western Hemisphere demand, most notably in Brazil where projected annual imports were expected to increase by 150,000 tons. Lower availability of Argentinean and domestic supplies is forcing Brazil to look to other sources. The resolution of the newly-imposed pest risk analysis requirement should clear the way for U.S. exports to Brazil. Strong export demand, combined with tightened milling capacity, boosted export price quotes for U.S. long-grain rice.